



Fair Political Practices Commission

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NEWS RELEASE

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FPPC Enforcement Decisions: January 20, 2005

The following are enforcement decisions approved by the Fair Political Practices Commission at its regular monthly meeting held in Sacramento on Jan. 20, 2005. Decisions are divided by category and include brief summaries of each case and the amount of the fines.

Additional information on each of the enforcement cases below can be found in the January agenda on the FPPC website at www.fppc.ca.gov. FPPC agendas are distributed and posted on the agency website 10 days prior to each monthly meeting.

The web version of the agenda includes links to the stipulations agreed to by the commission and by the individuals and organizations subject to the fines, or the default decisions ordered by the commission. Exhibits in support of the stipulations and default decisions are also available on the website. If you are unable to access the FPPC website, or need further assistance, please call the FPPC press office at 916-322-7761.

Statement of Economic Interests – Default

In the Matter of Jeff Palmisano, FPPC No. 02/620. Staff: Commission Counsel Jeffery A. Sly and SEI Coordinator Mary Ann Kvasager. Respondent Jeff Palmisano, a member of the Planning Commission for the City of Delano, failed to timely file a 2001 annual, 2002 annual, and leaving-office statement of economic interests, in violation of Government Code sections 87203 and 87204 (3 counts). **\$6,000 fine.**

Campaign Reporting Violation - Default Decision

In the Matter of David Boul, FPPC No. 99/438. Staff: Commission Counsel Steven Meinrath. Respondent David Boul is a businessman who resides in Moreno Valley. As an independent expenditure committee making expenditures in opposition to a candidate for the Ontario City Council, Respondent failed to disclose a late independent expenditure in a properly filed late independent expenditure report, in violation of Government Code section 84204 (1 count); failed to file a post-election semi-annual campaign statement, in violation of Government Code section 84200, subdivision (b) (1 count); and failed to file a supplemental independent expenditure report, in violation of Government Code section 84203.5 (1 count). **\$4,000 fine.**

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Conflict of Interest Violations

In the Matter of Henry M. Duque, FPPC No. 00/593. Staff: Senior Commission Counsel Julia Bilaver and Investigator III Jon Wroten. Respondent Henry M. Duque was a member of the California Public Utilities Commission. As a public official, Respondent made nine governmental decisions in which he had a financial interest, in violation of Government Code section 87100 (9 counts). **\$18,000 fine.**

In the Matter of Kenneth Wallace, FPPC No. 01/093. Staff: Senior Commission Counsel Melodee A. Mathay and Investigator III Dan Schek. Respondent Kenneth Wallace was a member of the Board of Directors for the Midway Heights County Water District in Placer County from 1996 through 2002. As a member of the water board, Respondent Wallace failed to disqualify himself from making and participating in making governmental decisions in which he had a financial interest, in violation of Government Code section 87100 (2 counts). **\$3,500 fine.**

Campaign Reporting Violations

In the Matter of K. Hovnanian Forecast Homes, FPPC No. 03/792. Staff: Commission Counsel Elizabeth K. Conti and Investigator III Jon Wroten. Respondent K. Hovnanian Forecast Homes is a home construction and sales business located in Ontario, Calif. Respondent failed to timely disclose a late contribution in a late contribution report, in violation of Government Code section 84203 (4 counts); failed to timely file a semi-annual campaign statement, in violation of Government Code section 84200, subdivision (b) (3 counts); failed to electronically file a semi-annual campaign statement, in violation of Government Code section 84605, subdivision (a) (2 counts); and failed to disclose a late contribution in an electronically filed late contribution report, in violation of Government Code section 84605, subdivision (a) (2 counts). **\$26,000 fine.**

In the Matter of Harold B. Williams, FPPC No. 03/832. Staff: Commission Counsel Elizabeth K. Conti and Investigator III Jon Wroten. Respondent Harold B. Williams is a securities broker who resides in San Diego, Calif. Respondent failed to disclose a late contribution in a late contribution report, in violation of Government Code section 84203 (1 count), and failed to file a semi-annual campaign statement, in violation of Government Code section 84200, subdivision (b) (1 count). **\$8,550 fine.**

In the Matter of Andrew Ludwick, FPPC No. 03/278. Staff: Commission Counsel Elizabeth K. Conti and Investigator III Jon Wroten. Respondent Andrew Ludwick is a self-employed private investor who resides in Palo Alto, Calif. Respondent failed to timely file a semi-annual campaign statement, in violation of Government Code section 84200, subdivision (b) (2 counts), and failed to timely file a semi-annual campaign statement electronically, in violation of Government Code section 84605, subdivision (a) (2 counts). **\$11,000 fine.**

In the Matter of Citizens For Traffic Relief and Frank Mooney, FPPC No. 00/687. Staff: Senior Commission Counsel William L. Williams, Jr. and Investigator III Dan Schek. Respondents Citizens For Traffic Relief and Frank Mooney violated the Political Reform Act by failing to timely file pre-election campaign statements, in violation of Government Code section 84200.5, subdivision (c) (2 counts), and by failing to timely disclose a late

contribution in a properly filed late contribution report, in violation of Government Code section 84203, subdivision (a) (1 count). **\$4,500 fine.**

In the Matter of Tom Ammiano, Tom Ammiano for Mayor, and Esther Marks, FPPC No. 01/408. Staff: Senior Commission Counsel Melodee A. Mathay and Investigator II Charlie Bilyeu. Respondent Tom Ammiano was a candidate for Mayor of the City and County of San Francisco in the 1999 election. Respondent Tom Ammiano for Mayor was the controlled committee of Respondent Ammiano. Respondent Esther Marks was the treasurer of Respondent Committee. Respondents failed to properly deposit cash contributions into Respondent Committee's campaign bank account, in violation of Government Code section 85201, subdivision (c) (1 count), and made prohibited cash expenditures in excess of \$100, in violation of Government Code section 84300, subdivision (b) (1 count). **\$2,500 fine.**

In the Matter of Antonio Cardenas, Tony Cardenas 2000, Maria Sanchez, and Kinde Durkee, FPPC No. 01/645. Staff: Senior Commission Counsel Julia Bilaver and Investigator III Dan Schek. Respondent Antonio Cardenas was a member of the California State Assembly, an unsuccessful candidate for Secretary of State, and a successful candidate for the Los Angeles City Council. Respondent Tony Cardenas 2000 was a controlled committee of Respondent Cardenas. Respondents Maria Sanchez and Kinde Durkee served as the treasurers of Respondent Committee at different times. During 11 reporting periods, Respondents failed to timely disclose required information regarding expenditures of \$100 or more made with a campaign credit card, in violation of Government Code section 84211, subdivision (k) (11 counts). Respondents Antonio Cardenas, Tony Cardenas 2000, and Maria Sanchez: **\$24,500 fine.** Respondents Antonio Cardenas, Tony Cardenas 2000, and Kinde Durkee: **\$10,500 fine.**

In the Matter of Guadalupe Arellano, Arellano for Mayor, and Luis Ramirez, FPPC No. 02/051. Staff: Senior Commission Counsel Julia Bilaver and Investigator II Charlie Bilyeu. Respondent Guadalupe Arellano was a member of the Gilroy City Council, and an unsuccessful candidate for Mayor. Respondent Arellano for Mayor was the controlled committee of Respondent Arellano. Respondent Luis Ramirez served as the treasurer of the committee. Respondents failed to timely file a semi-annual campaign statement, in violation of Government Code section 84200, subdivision (a) (1 count). **\$1,000 fine.**

In the Matter of Tahnya Ballard, Ratepayers for Tahnya Ballard and Patricia Austin, FPPC No. 01/156. Staff: Commission Counsel Jeffery A. Sly. Tahnya Ballard was an unsuccessful candidate for a seat on the Board of Directors of the Sacramento Municipal Utility District, during the November 2000 general election. Patricia Austin was the treasurer of Ballard's controlled campaign committee. Respondents failed to timely file two semi-annual campaign statements, in violation of Government Code section 84200, subdivision (a) (2 counts). **\$2,000 fine.**

In the Matter of Juan Vargas, Vargas 2000, and Deanna Liebergot, FPPC No. 01/699. Staff: Commission Counsel Jeffery A. Sly and Investigator III Jon Wroten. Respondent Juan Vargas was a successful candidate for the California State Assembly, 79th District, during the November 2000 general election. Respondent Vargas 2000 was the controlled committee of Respondent Vargas. Deanna Liebergot was the treasurer of the committee. Respondents failed to disclose late contributions in timely filed late contribution reports, in violation of Government Code section 84203 (3 counts), and failed to send major donor notification

letters to contributors of \$5,000 or more, in violation of Government Code section 84105 (1 count). **\$6,000 fine.**

Statements of Economic Interests – Streamlined Program

Failure to Timely File Statements of Economic Interests. Staff: Commission Counsel Jeffery A. Sly and Political Reform Consultant Linda Denly. The following persons have entered into stipulations for failing to timely file statements of economic interests, in violation of Government Code sections 87202, 87203, 87204 or 87300:

In the Matter of Thomas Soto, FPPC No. 04/637. Thomas Soto, a member of the state Board of Corrections, failed to timely file a 2003 annual statement of economic interests in violation of Government Code section 87300 (1 count). **\$100 fine.**

In the Matter of Glenn Parker, FPPC No. 04/691. Glenn Parker, a member of the Wildlife Corridor Conservation Authority, failed to timely file a 2003 annual statement of economic interests in violation of Government Code section 87300 (1 count). **\$100 fine.**

Late Contribution Reporting Violations - Streamlined Program

Failure to Timely Disclose Late Contributions - Proactive Program. Staff: Chief Investigator Sue Straine, Investigator III Jon Wroten, and Political Reform Consultant Mary Ann Kvasager. The following persons and entities have entered into stipulations for failing to disclose late contributions in timely filed late contribution reports in 2002, 2003, and 2004, in violation of Government Code section 84203:

In the Matter of Solelectron Corporation, FPPC No. 04-715. Solelectron Corporation of Milpitas failed to timely disclose a late contribution totaling \$10,000 in 2004 (1 count). **\$1,500 fine.**

In the Matter of Donaghy Sales, LLC, FPPC No. 04-716. Donaghy Sales, LLC of Fresno failed to timely disclose a late contribution totaling \$10,000 in 2004 (1 count). **\$1,500 fine.**

In the Matter of American Specialty Health Plans, FPPC No. 04-765. American Specialty Health Plans of San Diego failed to timely disclose a late contribution totaling \$12,500 in 2003 (1 count). **\$1,875 fine.**

In the Matter of Norman Lear, FPPC No. 04-769. Norman Lear of Beverly Hills failed to timely disclose two late contributions totaling \$30,000 in 2003 (2 counts). **\$4,500 fine.**

In the Matter of Dennis O'Brien and The O'Brien Group, FPPC No. 04-775. Dennis O'Brien and The O'Brien Group of San Mateo failed to timely disclose a late contribution totaling \$25,000 in 2002 (1 count). **\$3,750 fine.**

In the Matter of Shapell Industries, Inc., Nathan Shapell & Affiliated Entities, FPPC No. 04-777. Shapell Industries, Inc., Nathan Shapell & Affiliated Entities of Beverly Hills failed to timely disclose a late contribution totaling \$10,000 in 2002 (1 count). **\$1,500 fine.**

In the Matter of Lusardi Construction Company, FPPC No. 04-778. Lusardi Construction Company of San Marcos failed to timely disclose a late contribution totaling \$10,000 in 2002 (1 count). **\$1,500 fine.**

In the Matter of Mark Christopher Auto Center, Mountain View Chevrolet, CSM&C Expansion, FPPC No. 04-779. Mark Christopher Auto Center, Mountain View Chevrolet, CSM&C Expansion of Ontario failed to timely disclose a late contribution totaling \$10,000 in 2002 (1 count). **\$1,500 fine.**

In the Matter of Farmers Group, Inc. and Affiliated Entities, FPPC No. 04-673. Farmers Group, Inc. and Affiliated Entities of Los Angeles failed to timely disclose late contributions totaling \$19,400 in 2004 (12 counts). **\$2,910 fine.**

Major Donor Violations - Streamlined Program

Failure to Timely File Major Donor Statements - Proactive Program. Staff: Chief Investigator Sue Straine, Investigator III Jon Wroten, and Political Reform Consultant Mary Ann Kvasager. The following persons and entities have entered into stipulations for failing to file major donor campaign statements that were due for the calendar years 2002 and 2003, in violation of Government Code section 84200:

In the Matter of Sawhill Consulting, FPPC No. 04-802. Sawhill Consulting of Sacramento failed to timely disclose contributions totaling \$10,000 in 2002 (1 count). **\$400 fine.**

In the Matter of People For The American Way, FPPC No. 04-798. People for The American Way of Washington, D.C. failed to timely disclose contributions totaling \$11,000 in 2003 (2 counts). **\$400 fine.**

In the Matter of Association of American Medical Colleges, FPPC No. 04-800. Association of American Medical Colleges of Washington, D.C. failed to timely disclose contributions totaling \$10,000 in 2003 (1 count). **\$400 fine.**

In the Matter of Brett Messing, FPPC No. 04-0804. Brett Messing of Los Angeles failed to timely disclose contributions totaling \$14,000 in 2003 (1 count) **\$400 fine.**

In the Matter of B. L. Schwartz, FPPC No. 04-794. B. L. Schwartz of New York, New York failed to timely disclose contributions totaling \$15,000 in 2003 (1 count). **\$400 fine.**

In the Matter of Syntex USA LLC, FPPC No. 04-797. Syntex USA LLC of Palo Alto failed to timely disclose contributions totaling \$27,726 in 2002 (1 count). **\$800 fine. \$800 fine.**

In the Matter of Advanced Diagnostic And Surgical Center, Inc., FPPC No. 04-807. Advanced Diagnostic And Surgical Center, Inc. of Alhambra failed to timely disclose contributions totaling \$25,000 in 2003 (1 count). **\$400 fine.**

In the Matter of Herbert M. Gelfand, FPPC No. 04-793. Herbert M. Gelfand of Beverly Hills failed to timely disclose contributions totaling \$10,500 in 2003 (1 count). **\$400 fine.**

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